New 499 ID Basics

Overview for Service Providers
August 9, 2022
To accommodate all attendees, real-time closed captions will be present during this presentation. We apologize in advance for any transcription errors or distractions. Thank you for your support.
Housekeeping

- The audience will remain on mute.
- Enter questions at any time using the “Questions” box.
- If your audio or slides freeze, restart the webinar.
- A copy of the slide deck is in the “Handouts” section of webinar panel.
- This webinar is being recorded and a copy of the presentation will be on our website under Service Providers and “Webinars”.

Download PDF of Slides here!
Meet the Presenter

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Ms Kavelman is a member of the 499 team that analyzes revenue reported on the FCC Form 499-A. Amy also develops and delivers most of the 499 training. She has worked at USAC for 11 years. Raised in Illinois, she moved to the Washington DC area in 1997.

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Webinar Overview

In this webinar, designed for service providers new to USAC, we’ll cover the basics of the 499 ID and the filing requirements.
Agenda

• 498 ID & 499 ID Purpose
• USAC’s Website
• 499 ID Assignment
• Filing Calendar
• Quarterly Form 499-Q
• Annual Form 499-A
498 ID & 499 ID
Understanding the Difference
Purpose of These IDs

499 ID
- Takes it’s name from the registration form – FCC Form 499-A
- Identification used to contribute to the Universal Service Fund

498 ID
- Takes it’s name from the registration form – FCC Form 498
- Identification used to receive Universal Service funding
ID Differences

498 ID

Nine digit number beginning with “143” or “443” (i.e. 143999999, or 443999999)

Who –
Telecommunications Providers
• Nine digit number beginning with “143”
School or Library
• Nine digit number beginning with “443”

Why - to receive funding from any of the 4 programs
USAC administers: Rural Health Care, High Cost, Lifeline, E-Rate

499 ID

Six digit number beginning with an “8” (i.e. 889993)

Who - All telecommunications Providers, including VoIP service providers and resellers

Why - to contribute to the Universal Service Fund

Companies that have a 498 ID don’t necessarily have to have a 499 ID, and vice versa!
499 ID Assignment

Next Steps
Email Notification of Assignment

Next Steps

Two emails were sent to the Company Officer listed on the registration form.

1. Company Officer user name and log in instructions
2. Assignment of the 499 Filer ID and a list of forms you are required to file.

The Company Officer should now add any employees as users to USAC’s E-File system. Functions performed in E-File are form preparers, additional company officers and employees responsible for paying USAC invoices.

ALL FCC Forms must be submitted online through E-File. Paper copies are not accepted.
Online Resources
USAC Website

COVID-19 Update: USAC remains open for business. Learn more about USF program responses.

Tools – Sign in to USAC’s online systems

Program Specific webpages

Scroll down the page for links to program pages, as well as statistics on the universal service fund.
Newsletter Subscription

Found on main webpage at www.usac.org
Two ways to access the payments screens – but both will take you to Dept of Treasury Site.

2. E-File Access – must be an authorized user of E-File to access online payments.

This screen is an example of one filer ID. Select ‘Payments’ and the screen will be the most current filer balance information. Once you click ‘Make a Payment’, you get routed to Treasury.
‘Sign In’ page will prompt you for user name and password to log in to the E-File system.

USAC maintains security using a multi-factor authentication system, sending the user id (email address) an 6 digit code to enter prior to logging in to the system.

It’s important not to share user ids. That’s a violation of our terms and conditions.
Click on the words ‘Service Providers’ and you’ll see a drop down menu with topics specific to Service Providers, the Forms 499 and 498 as well as a monthly invoice explanation.
Annual Training
• February

Monthly Trainings
• New 499 ID
• Office Hours – open topic and discussion

Previous webinar recordings also stored here.
The USAC website offers several options to learn via our online video library as well.

Click on the words ‘Service Providers’ on the main webpage.
Adding E-File Users
Add Authorized Users in E-File

Only Company Officers can grant access to additional users.

Click the down arrow next to your user ID in the top right hand corner of the screen, then select the option, ‘Add/Remove 499 Users’.

At the next screen, click the blue button ‘+Add User Accounts’.
Add Authorized Users in E-File

- The email address entered also acts as your E-File user ID

- The email address entered is specific to the person and not an email address shared with another person(s) or a generic email address (e.g. Billing@gmail.com)

- The email address listed above is the address to which business communications, including confidential business communications, may be sent.
Add Authorized Users in E-File

- Enter in the contact information of the user you are adding.

- Place a check mark in the box confirming that the user id you are adding meets the USAC terms and conditions.

- Scroll down to assign a role to the new user.
Add Authorized Users in E-File

- Determine the level of access you will grant to the new user.
  - Company officers are the only persons who can certify an FCC Form.
  - Company officers can also add/remove users who have authority to access the account.

- Select which Filer IDs the new user will have access to by highlighting the filer ID and clicking the right arrow button to move it to the ‘Selected Filer IDs’ column.

- Complete the set up by clicking the ‘Submit’ button
2022 Filing Calendar

When to File the FCC Forms 499
Types of FCC Form 499

**FCC Form 499-A**

1. Required for EVERYONE
2. The **FCC Form 499-A** is the annual form used to report the company’s *actual* revenue billed during the *prior* calendar year.
3. The FCC Form 499-A is due annually on April 1.

**FCC Form 499-Q**

1. Required for all non-*de minimis* filers
2. The **FCC Form 499-Q** is used to *project* or *forecast* the company's revenue for the *next* calendar quarter.
3. The FCC Form 499-Q due dates:
   - February 1
   - May 1
   - August 1
   - November 1

*ALL FCC Forms must be submitted online through E-File. Paper copies are not accepted.*
## 2022 Filing Deadlines

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Revenue Reported</th>
<th>Revision Deadline</th>
<th>Contributor Invoice</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCC Form 499-Q February 1, 2022</td>
<td>2Q projected 2022 4Q revenue 2021</td>
<td>March 18, 2022</td>
<td>April – June 2022</td>
</tr>
<tr>
<td>FCC Form 499-A April 1, 2022</td>
<td>Prior year: 2021 January – December</td>
<td>March 31, 2023</td>
<td>July 2022</td>
</tr>
<tr>
<td>FCC Form 499-Q May 2, 2022*</td>
<td>3Q projected 2022 1Q revenue 2022</td>
<td>June 16, 2022</td>
<td>July – September 2022</td>
</tr>
<tr>
<td>FCC Form 499-Q August 1, 2022</td>
<td>4Q projected 2022 2Q revenue 2022</td>
<td>September 15, 2022</td>
<td>October – December 2022</td>
</tr>
<tr>
<td>FCC Form 499-Q November 1, 2022</td>
<td>1Q projected 2023 3Q revenue 2022</td>
<td>December 16, 2022</td>
<td>January – March 2023</td>
</tr>
</tbody>
</table>

* When a form due date falls on a weekend or holiday, the form is due the following business day.
Filing Dates – from the FCC Form 499-Q

One form is used to file all four of the quarterly filings. The relevant time periods are included on the form showing the filer exactly what time periods the form is reporting.

Below is a screen shot from the 2022 FCC Form 499-Q. You can find a copy of this form on our website.

* When a form due date falls on a weekend or holiday, the form is due the following business day.
Navigate to USAC’s website: www.usac.org

Click on the words “Service Providers” from the top right hand of page.

Mega Menu will display with further menu selections for Service Providers.
Select “Forms & Instructions” from the drop down mega menu.
All 3 forms relevant to Service Providers can be found on this page.

The paper copy of the instructions as well as the form itself are listed in this section. Actual forms are the last pages of the instructions document.

Click on the name to open up a .pdf document.

**FCC Form 499-Q**
- filed 4 times a year.

**FCC Form 499-A**
- filed once a year
Questions?
Quarterly Filing

Who is Required to File the 499-Q
Who Must File

1. Every non *de minimis* telecommunications company **must** file the FCC Form 499-Q.

2. *De minimis* filers are not required to file the FCC Form 499-Q, but they are requested to email USAC each quarter to notify of their continued *de minimis* status for the upcoming quarter.
   
   ◊ Send the email to ‘Form499@usac.org’
   
   ◊ Include your Filer ID, Company name and the specific FCC Form 499-Q (i.e. February 499-Q) for which you expect to be *de minimis*.

So the key question is - what exactly is a *de minimis* company??
Definition of *de minimis*
A filer qualifies for *de minimis* status for a given calendar year when the revenue reported on its corresponding FCC Form 499-A is such that the calculated annual contribution to the federal Universal Service Fund is less than $10,000.

Annual Revenue Threshold
For calendar year 2022, filers that bill less than $38,610.04 of combined end user interstate and international telecommunication revenues will be considered *de minimis* for 2022.

Which leads to the question, “How do I know if I’m below the threshold for a quarter?”

Quarterly Revenue Threshold
For every quarter in 2022, if the revenue reported on Line 120(b) + (c) is $9,652.51 or less, then then service provider will be *de minimis*.
What is it?

- The FCC Form 499-Q (quarterly) is used to determine the amount of money a company must contribute to the universal service fund for a quarter.
  - *It is similar in concept to the IRS quarterly estimated tax forms a business must file.*
- The same form or “template” is used for each quarter’s filing.
- While the filer reports both historical and projected revenues on the form, **only the projected revenues are used to determine the contribution amount** billed in the upcoming quarter.
Filing Online

Accessing the Forms Through E-File
Online Filing – Before You Start

• Make sure your internet browser’s ‘pop up blocker’ is **OFF**.
  • The system opens a new window to display the data entry screen for the FCC Form 499-Q.
  • If you have clicked ‘**Start Form**’ and you don’t see a new, smaller window – you most likely have the pop-ups blocked.

• Please ensure these email addresses from USAC don’t go to your SPAM folder!
  • Important USAC communication comes from the following emails:
    ✓ ‘form499@usac.org’
    ✓ ‘CustomerSupport@usac.org’
    ✓ ‘form499@universalservice.org’

• Not sure if you are **de minimis** or not? FILE the form anyway!
  • We would rather have you report your revenues than us having to estimate on your behalf.
All data entry and submission of 499 forms is done while logged in to USAC’s online system called E-File. You can log in from the main USAC webpage, www.usac.org, by clicking the blue ‘Sign In’ button at the top of the page.
Once logged in to E-File, the service provider portal will appear. Only systems in which you have authorization to access will appear. In this example, the user can only access the 498 ID and the 499 Filer ID. Select the paragraph ‘Manage FCC Forms 499’.
Using the E-File navigation system, navigate to the Filer ID that you wish to work on. Scroll to the bottom of the screen and summary view of the FCC Form 499s.

To enter the February 499-Q, select the ‘Start Form’ action from the right hand side at the end of the row.
Block 3:
- This section contains the revenue, both past and predicted.
- USAC uses the revenues reported on Line 120 to calculate your support mechanism charges (USF)

<table>
<thead>
<tr>
<th>Historical Revenues (lines 115-118) for</th>
<th>Projected Revenues (lines 119-120) for</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filing due</td>
<td></td>
</tr>
<tr>
<td>November 1, 2021</td>
<td>January 1 – March 31, 2022</td>
</tr>
<tr>
<td>February 1, 2022</td>
<td>April 1 – June 30, 2022</td>
</tr>
<tr>
<td>May 1, 2022</td>
<td>July 1 – September 30, 2022</td>
</tr>
<tr>
<td>August 1, 2022</td>
<td>October 1 – December 31, 2022</td>
</tr>
</tbody>
</table>

113 Indicate which quarterly filing this represents

114 Check if using safe harbor to allocate interstate/intrastate revenues for each of the following (as applicable):
- Cellular & broadband PCS
- Paging
- Analog SMR
- Interconnected VoIP

Historical billed revenues with no allowance or deductions for uncollectibles. See Instructions.

115 Telecommunications provided to other universal service contributors for resale as telecommunications or as interconnected VoIP

116 End-user telecommunications revenues including any pass-through charges for universal service contributions, but excluding international-to-international revenues

117 All other goods and services

118 Gross-billed revenues from all sources [sum of above]

119 Projected gross-billed end-user interstate and international telecommunications revenues including any pass-through charges for universal service contributions, but excluding international-to-international revenues

120 Projected collected end-user interstate and international telecommunications revenues including any pass-through charges for universal service contributions, but excluding international-to-international revenues
NOTE!!
While the company reports historical revenues, it’s the PROJECTED revenues (Lines 120) that USAC uses to determine your monthly contribution.
IF USAC notices any large differences, USAC will notify the preparer with an email outlining potential issues.

Don’t ignore this email!

It tells you that USAC noticed the filing you just submitted is significantly higher than the previous 499-Q.

This email also includes a due date of when you need to submit revisions.
The Form 499-Q has a very short revision window of 45 days!

This is because the data collected on the form is time sensitive. USAC uses the data for invoicing as well as determining the USF contribution factor.

Click the ‘Revise’ button to open up the 499Q form again and submit changes.

Revisions submitted after the revision date will not be used.
We recently posted a new 499-Q training module that explains the form and walks a user through filing the FCC Form 499-Q. It is self-paced and includes a menu so you can skip to specific sections.

This video is found on our ‘Videos’ page or directly by clicking this link.
Monthly Invoice

How USAC Uses the Revenues on the 499-Q
On or around the 15th of the month, an online invoice summary is available to authorized users in E-File.

To access this summary page, from the ‘Payments’ section, scroll down to the ‘Select Payment View’, click in the box, and select ‘Invoices’.

“Support Mechanism Charge” is your monthly contribution.
USAC outlines the calculations for the monthly contribution amount on page 2 of the invoice.

USAC takes the revenue input on Line 120b + 120c This is displayed on your invoice, page 1, lower left corner.

USAC outlines the calculations for the monthly contribution amount on page 2 of the invoice.
The revenue projections entered on Line 120 will be used for determining your contribution amounts billed on the 4th quarter of 2022 invoices.
Questions?
Annual Filing
FCC Form 499-A
What is it?

A company reports their actual historical revenues on the FCC Form 499-A. *The 2022 FCC Form 499-A reports actual revenues from calendar year 2021.* USAC takes the numbers on the 2022 FCC Form 499-A and compares them to the projected revenue from the quarterly FCC Forms 499-Q.

**Actual Revenues**
- 2022 FCC Form 499-A
  - January – December 2021

**Estimated Revenues**
- November 2020 Filing (1<sup>st</sup> Qtr 2021)
- February 2021 Filing (2<sup>nd</sup> Qtr 2021)
- May 2021 Filing (3<sup>rd</sup> Qtr 2021)
- August 2021 Filing (4<sup>th</sup> Qtr 2021)
Annual True-Up

Compare 499-Q revenue to the 499-A revenue

If the company’s projected revenues for calendar year 2021, reported on the FCC Form 499-Qs, are too high, USAC will calculate your credit.

   The company ‘contributed’ too much over the year.

If the company’s projected revenues are too low, USAC will calculate a “true-up charge” to make up for the contribution deficit.

   The company didn’t contribute enough over the year.

These charges/credits will appear on the company’s July invoice from USAC.
Filing the Annual Form
Start a New Form Online

**Remember!** All FCC Forms 499-A and 499-Q must be submitted online.

- Paper copies are NOT accepted.

USAC’s online system, E-File, will display a data entry screen, guiding the user through reporting the revenue on the FCC Form 499-A

- Unlike the FCC Form 499-Q, the data entry screens do NOT look like the paper copy of the form.
Once logged in to E-File, the service provider portal will appear. Only systems in which you have authorization to access will appear. In this example, the user can only access the 498 ID and the 499 Filer ID.
The FCC reviews and updates the FCC Form 499-A prior to releasing it for the year. Until the new form has been released, you will not see the form listed.

To start the FCC Form 499-A, select ‘Start Form’ from the row containing the FCC Form 499-A.
Main page for data entry of the FCC Form 499-A in E-File.

Registration Info

Revenue Reporting

FCC Form 499-A E-File Main Page
Information Reported in Registration Section
• Company identification
• Telecommunications services offered
• Holding Company/Affiliates
• Customer contact information
• Form preparer contact information
• USAC billing contact information
• List of company officers
• States where services are sold

Please review if this information is correct when submitting the FCC Form 499-A. While the information is pre-populated from last year’s form, take a moment to review for accuracy.

Service providers can update this information at any time during the year by submitting a revision to the Form 499A.
### Revenue Reporting Sections

#### Form 499-A Line #

| Lines 303-315 | Carrier's Carrier | This section is for reporting revenues received from (1) carriers that contributed to the federal universal service fund (USF); OR (2) USAC or state sources for universal service support. |
| Lines 403-417 | End User | This section is for reporting revenues received from end-users, or carriers that did not contribute to the federal USF, for providing telecommunications or interconnected VoIP services. |
| Lines 418.1-418.3 | Non-Telecommunications | This section is for reporting revenues received for providing non-telecommunications services. |
| Line 418.4 | Non-Interconnected VoIP | This section is for reporting revenues received for providing non-interconnected VoIP services. |
| Lines 511 | Excluded Reseller Revenue | This section is for reporting revenues from carriers that did not contribute to USF that you would like to exclude from other contribution bases (e.g., NANPA, TRS, LNP). |
| Lines 421-422 | Uncollectible Revenue or Bad Debt | This section is for reporting any uncollectible revenue or bad debt. |
| Lines 503-510 | Regional Percentages | This section is required for carriers and providers of interconnected VoIP with revenue to indicate regional billing data. |
| | Certifying Officer Information | This section you will need to fill out the filer’s Certifying officer information. |
Placed side by side, you’ll see that the online data entry screen does not look like the paper form. If you only provide one type of service, you may select that service type. Or...

Click the ‘Expand All’ selection at the bottom of the screen.....
After clicking the ‘Expand All’, every section is expanded and the corresponding line numbers that reference the paper form are displayed.

There’s a lot of lines, so use the scroll bar on the right hand side of the screen to scroll through all of the data entry questions.

If the line number is a service your company sells, enter the total revenue in the box on the left hand side of the screen. For each line on which you provide revenue numbers, you will be required to enter what portion of that total revenue can be attributed to interstate and international.

The percentage boxes are grayed out and will be calculated when you enter the actual revenue numbers.
At the bottom of each data entry page, there is a line of buttons for navigating through the data entry process.

- **Save & Return to Summary** saves form and returns to the summary page.
- **Save & Continue** saves form and advances to the next section.
- **Save & Close** saves form and exits the data entry process.

The diagram illustrates these navigation options with arrows pointing to the corresponding buttons.
Certify and Submit

Complete the FCC Form 499
Once the data entry is complete on the FCC Form 499-A, USAC does not consider it submitted until a Company Officer electronically signs (certify) and submits the form.

E-File preparers cannot submit the FCC Form 499-A, only a Company Officer can.

E-File gives the officer two methods for certifying forms.
Questions?
For More Assistance

Call Customer Service Center at:
(888) 641-8722 Option 3
Monday – Friday, 9 a.m. – 5 p.m. ET

Form 499 questions: email Form499@usac.org
USF billing questions: email Billing@usac.org

Visit the Service Provider’s Learn page